

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1476
ANSWERED ON:11.03.2005
HOUSING LOANS BY PUBLIC SECTOR BANKS
Saradgi Shri Iqbal Ahmed

Will the Minister of FINANCE be pleased to state:

- (a) The total rural housing scheme funded by the nationalized banks in the country, particularly in Karnataka;
- (b) whether a study based on findings of the 58th round of the National Sample Survey pointed that disbursement of housing loans by public sector banks in rural area was grossly disproportionate to the reach of the network;
- (c) if so, the details thereof;
- (d) whether any nationalized banks has extended loan to the rural people of country during the last three years;
- (e) if so, the details of the same, bank-wise; State-wise; and
- (f) the extent to which the people living in rural areas would be benefited?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) :

(a), (d) and (e) The National Housing Bank (NHB) has launched Golden Jubilee Rural Housing Finance Scheme (GJRHFS) in 1997. Under the scheme, housing loans are permitted to be given for construction, purchase or improvement of houses in rural areas and the scheme is being implemented through Scheduled Commercial Banks, Housing Finance Companies and the Cooperative Sector Institutions. Till date, about 13 lakh dwelling units in the rural areas have been financed under the Scheme by the primary lending institutions. Out of these, 6,53,625 units have been financed by Public Sector Banks (PSBs). In the State of Karnataka, PSBs have financed 30,056 units during three years period 2001-04. The Bank-wise and State-wise details of housing loan for dwelling units extended by the banks under GJRHFS during the last three years are indicated in the enclosed statement-I & II.

(b) The National Sample Survey Organisation has not conducted any study based on the NSS 58th round on disbursement of housing loans by Public Sector Banks in rural areas. However, according to the NSS Report No. 488 of NSS 58th round (July-December 2002) shows that 8.2 percent finance was contributed through government sources for construction of houses undertaken in rural areas.

(c) Does not arise.

(f) The GJRHF scheme has received good response from the borrowers in the rural areas. As a result the targets under the scheme had been steadily increased over the years from 50,000 in 1997 to 2.50 lakh in 2003-04.